
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Lerado Financial Group Company Limited, you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Lerado Financial Group Company Limited

隆成金融集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1225)

**RENEWAL OF GENERAL MANDATE TO ISSUE SHARES AND
TO REPURCHASE SHARES, REFRESHMENT OF THE SHARE
OPTION SCHEME MANDATE LIMIT,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at the Portion 2, 12/F., The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 31 May 2017 at 2:30 p.m. is set out on pages 15-19 of this circular. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong share registrar, Tricor Secretaries Limited, at Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the Annual General Meeting or any adjourned meeting. Completion and return of the proxy form will not preclude you from attending and voting at the Annual General Meeting in person should you so wish. If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked.

28 April 2017

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Adjustment”	the adjustment to the number of issued Shares due to the consolidation of Shares and Rights Issue of the Company completed on 21 September 2016
“Annual General Meeting”	the annual general meeting of the Company to be held at the Portion 2, 12/F., The Center, 99 Queen’s Road Central, Hong Kong on Wednesday, 31 May 2017 at 2:30 p.m., for the purpose of considering and if thought fit, approving the resolutions proposed in this circular
“Board”	the Board of Directors
“Bye-Laws”	the bye-laws of the Company
“close associate(s)”	has the same meaning ascribed to it under the Listing Rules
“Company”	Lerado Financial Group Company Limited, a company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“core connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Participant”	means any full time employees, executives or officers, directors of the Company or any of its subsidiaries and any suppliers, consultants, agents and advisers who have contributed to the Group
“General Mandate”	a general and unconditional mandate to be granted to the Directors to allot, issue, and otherwise deal with new Shares and other securities with an aggregate nominal amount not exceeding 20% of the issued share capital of the Company as at the date of passing of the relevant resolution
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	26 April 2017 being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Mandate”	a general and unconditional mandate to be granted to the Directors to exercise the power of the Company to repurchase Shares in the capital of the Company up to a maximum of 10% of the aggregate total number of the issued share capital of the Company as at the date of passing of the relevant resolution
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	share(s) of the Company
“Share Option Scheme”	the share option scheme adopted by the Company at the annual general meeting on 28 May 2012
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	has the meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“%”	per cent.

LETTER FROM THE BOARD



Lerado Financial Group Company Limited

隆成金融集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1225)

Executive Directors:

Mr. MAK Kwong Yiu

(Chairman and Chief Executive Officer)

Mr. HUANG Ying Yuan *(Honorary Chairman)*

Mr. HUANG Shen Kai

Mr. CHEN Chun Chieh

Mr. LAI Kin Chung, Kenneth

Independent Non-executive Directors:

Mr. LAM Chak Man

Mr. YE Jianxin

Mr. CHERN Shyh Feng

Mr. HSU Hong Te

Registered Office:

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

Principal Place of Business

in Hong Kong:

Units 1-3, 30/F

Universal Trade Centre

3-5A, Arbuthnot Road

Central, Hong Kong

28 April 2017

To: the Shareholders of the Company

Dear Sir or Madam,

**RENEWAL OF GENERAL MANDATE TO ISSUE SHARES AND
TO REPURCHASE SHARES, REFRESHMENT OF THE SHARE
OPTION SCHEME MANDATE LIMIT,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding resolutions to be proposed at the Annual General Meeting relating to the renewal of general mandates to allot, issue and deal with the Shares, to repurchase Shares and the re-election of Directors.

LETTER FROM THE BOARD

At the Annual General Meeting, resolutions, amongst others, will be proposed for the Shareholders to approve (i) the renewal of the General Mandate and the Repurchase Mandate; (ii) the extension of the General Mandate to include Shares repurchased pursuant to the Repurchase Mandate; and (iii) the re-election of Directors.

RENEWAL OF GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the annual general meeting of the Company held on 27 May 2016, general mandates were granted to the Directors (i) to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing of the relevant resolution, i.e. 460,644,827 and (ii) to repurchase shares in the capital of the Company up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the relevant resolution, i.e. 230,322,417. Such general mandates will expire at the conclusion of the forthcoming Annual General Meeting.

At the Annual General Meeting, the following ordinary resolutions will be proposed:

- (a) to grant the General Mandate to the Directors to exercise the powers of the Company to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of passing the resolution. The General Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Bye-Laws or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company;
- (b) to grant the Repurchase Mandate to the Directors to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this circular. Under such Repurchase Mandate, the maximum number of Shares that the Company may repurchase shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing the resolution. As at the Latest Practicable Date, the number of Shares in issue is 2,303,224,137 Shares after the Adjustment. Subject to the passing of the proposed resolution approving the granting of the Repurchase Mandate and assuming no further Shares are issued or repurchased prior to the Annual General Meeting, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 230,322,413, being 10% of the issued share capital of the Company as at the date of passing of the resolution in relation thereof. The Repurchase Mandate will end on the earliest of the date of the next annual general meeting, the date by which the next annual general meeting of the Company is required to be held by the Bye-Laws or the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company; and

LETTER FROM THE BOARD

- (c) subject to the passing of the aforesaid ordinary resolutions of the General Mandate and the Repurchase Mandate, to extend the number of Shares to be issued and allotted under the General Mandate by an additional number representing such number of Shares repurchased under the Repurchase Mandate.

In accordance with the Listing Rules, an explanatory statement is set out in Appendix I to this circular to provide you with the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the proposed resolution to grant the Repurchase Mandate at the Annual General Meeting.

REFRESHMENT OF THE SHARE OPTION SCHEME MANDATE LIMIT

The Company adopted the Share Option Scheme by the Shareholders at the annual general meeting on 28 May 2012. The Share Option Scheme remains in force for a term of 10 years from the date of adoption. At the annual general meeting of the Company held on 27 May 2016 (“**2016 AGM**”), the Company has sought the approval from the Shareholders to refresh the Share Option Scheme limit such that the maximum number of Shares which may be allotted and issued upon the exercise of the Options under the Share Option Scheme is 383,870,689 Shares, representing 10% of the then issued share capital of the Company at the date of 2016 AGM.

Pursuant to the Share Option Scheme since its adoption, 75,000,000 Options have been granted by the Company, of which 48,000,000 Options granted were exercised; all the remaining Options were lapsed and no Options were cancelled. No Option was granted by the Company since the Share Option Scheme limit was previously refreshed on 27 May 2016. As at the Latest Practicable Date, there was no outstanding Options under the Share Option Scheme.

The Company has complied with Rule 17.03(4) of the Listing Rules in that the total number of Shares issued and to be issued upon exercise of the Options granted to each grantee in any 12-month period will not exceed 1% of the issued share capital of the Company as at the date of the grant.

The purpose of the Share Option Scheme is to enable the Company to attract, retain and motivate Eligible Participants to strive for future developments and expansion of the Group. It is important that the Group should continue to provide such Eligible Participants under the Share Option Scheme with additional incentive and encouragements by offering them an opportunity to obtain an ownership interest in the Company and to enjoy the results of the Company attained through their efforts and contribution.

LETTER FROM THE BOARD

Pursuant to Chapter 17 of the Listing Rules, the total number of securities which may be issued upon exercise of all options to be granted under the scheme and any other schemes must not in aggregate exceed 10% of the relevant class of securities of the listed issuer in issue as at the date of approval of the scheme. The listed issuer may seek approval by its shareholders in general meeting for “refreshing” the 10% limit under the scheme. However, the total number of securities which may be issued upon exercise of all options to be granted under all of the schemes of the listed issuer under the limit as “refreshed” must not exceed 10% of the relevant class of securities in issue as at the date of approval of the limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with the scheme or exercised options) will not be counted for the purpose of calculating the limit as “refreshed”. The Listing Rules also provides that the limit on the number of securities which may be issued upon exercise of all outstanding options granted and yet to be exercised under the scheme and any other schemes must not exceed 30% of the relevant class of securities of the listed issuer in issue from time to time.

Pursuant to the Share Option Scheme, the total number of Shares which may be issued upon exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option schemes of the Company) to be granted under the Share Option Scheme and any other share option schemes of the Company must not in aggregate exceed 75,570,724 Shares.

As at the Latest Practicable Date, the Company had no other share option scheme currently in force except for the Share Option Scheme.

The Directors consider that continue to provide such Eligible Participants under the Share Option Scheme with additional incentive and encouragements by offering them an opportunity to obtain an ownership interest in the Company and to enjoy the results of the Company attained through their efforts and contribution can bring considerable benefits to the Company, hence seeking approval from the Shareholders at the Annual General Meeting for refreshment of the 10% limit under the Share Option Scheme is in the interests of the Company and the Shareholders as a whole.

Upon the refreshment of the 10% limit under the Share Option Scheme is approved by the Shareholders at the Annual General Meeting, the Company will be allowed to grant further options under the Share Option Scheme of up to a total of 230,322,413 options, representing 10% of the Shares in issue as at the Latest Practicable Date and the date of the Annual General Meeting.

LETTER FROM THE BOARD

The total number of the share options to be granted by the refreshed 10% limit under the Share Option Scheme will be 230,322,413, which represents approximately 10% of the issued share capital of the company as at the Latest Practicable Date. Hence, the total number of Shares which may be issued upon the exercise of all outstanding share options and the share options to be granted by the refreshed 10% limit under the Share Option Scheme does not in aggregate exceed 30% of the Shares in issued as at the Latest Practicable Date.

The refreshment of the 10% limit under the Share Option Scheme is conditional upon:

- (a) The passing of an ordinary resolution by the Shareholders at the Annual General Meeting to approve the refreshment of the 10% limit under the Share Option Scheme; and
- (b) The Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, such number of Shares, representing 10% of the issued Shares as at the date of the Annual General Meeting, which may fall to be allotted and issued pursuant to the exercise of the options to be granted under the Share Option Scheme.

Application will be made to the Listing Committee of the Stock Exchange for the grant of the listing of, and the permission to deal in, the Shares which may be issued pursuant to the exercise of the share options to be granted by the refreshed 10% limit under the Share Option Scheme.

RE-ELECTION OF DIRECTORS

In accordance with clause 87 of the Bye-Laws, Mr. HUANG Ying Yuan, Mr. HUANG Shen Kai and Mr. YE Jianxin will retire from their respective offices as Director at the Annual General Meeting, and being eligible, will offer themselves for re-election as Directors at the Annual General Meeting.

At the Annual General Meeting, ordinary resolutions will be proposed to re-elect Mr. HUANG Ying Yuan and Mr. HUANG Shen Kai as executive Directors, and Mr. YE Jianxin as an independent non-executive Director. The biographical details of such re-electing Directors as required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

ANNUAL GENERAL MEETING

The Company will convene the Annual General Meeting at Portion 2, 12/F., The Center, 99 Queen's Road Central, Hong Kong on Wednesday, 31 May 2017 at 2:30 p.m. at which resolutions will be proposed for the purpose of considering and if thought fit, approving the resolutions set out in the notice of the Annual General Meeting as set out on pages 15-19 of this circular.

LETTER FROM THE BOARD

A form of proxy for use in connection with the Annual General Meeting is enclosed herewith. Whether or not you intend to be present and vote at the Annual General Meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjournment thereof. The completion and delivery of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person should you so wish.

If you attend and vote at the Annual General Meeting, the authority of your proxy will be revoked. Pursuant to Rule 13.39(4) of the Listing Rules, voting by the Shareholders at the Annual General Meeting will be by poll, except where the chairman of the Annual General Meeting, in good faith, decides to allow a resolution which related purely to a procedural or administrative matter to be voted by a show of hands.

For the purpose of ascertaining shareholders' entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Thursday, 25 May 2017 to Wednesday, 31 May 2017, both days inclusive. In order to be eligible for attending and voting at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong) for registration no later than 4:30 p.m. on Wednesday, 24 May 2017.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement contained herein or this circular misleading.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors (including all the independent non-executive Directors) consider that (i) the renewal of general mandate to issue Shares; (ii) the repurchase of Shares; (iii) the refreshment of the Share Option Scheme mandate limit; and (iv) the re-election of Directors to be proposed at the Annual General Meeting are in the best interests of the Company as well as its Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favour of all the resolutions to be proposed at the Annual General Meeting.

Yours faithfully
By Order of the Board
MAK Kwong Yiu
Chairman

This is an explanatory statement given to all Shareholders relating to a resolution to be proposed at the Annual General Meeting for approving the Repurchase Mandate. This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the Company had a total of 2,303,224,137 Shares in issue after the Adjustment. Subject to the passing of the resolution granting the Repurchase Mandate and on the basis that no further Shares are issued or repurchased during the period from the Latest Practicable Date to the Annual General Meeting, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 230,322,413 Shares, representing 10% of the issued share capital of the Company as at the date of the passing of the relevant resolution at the Annual General Meeting.

2. REASONS FOR SHARE REPURCHASE

The Directors have no present intention to repurchase any Shares but consider that the ability to do so would give the Company additional flexibility that would be beneficial to the Company and the Shareholders as such repurchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets value of the Company and/or its earning per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASE

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's available cash flow or working capital facilities derived from the distributable profits of the Company which would otherwise be available for dividend or other distributions which will be funds legally available for the purpose in accordance with the Bye-laws and the laws of Bermuda.

As compared with the financial position of the Company as at 31 December 2016 (as disclosed in its latest audited financial statements for the year ended 31 December 2016), the Directors consider that there might be material adverse impact on the working capital and on the gearing position of the Company in the event that the proposed repurchase were to be carried out in full during the proposed repurchase period. In the circumstances, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would have a material adverse impact on the working capital or gearing ratio of the Company.

4. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of their close associates, has any present intention to sell any Shares to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

No core connected person of the Company (as defined in the Listing Rules) has notified the Company that he/she/it has a present intention to sell Shares to the Company nor has he/she/it undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is granted by the Shareholders.

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with the Listing Rules, the Bye-Laws and the laws of Hong Kong and Bermuda.

6. EFFECT OF TAKEOVERS CODE

A repurchase of Shares by the Company may result in an increase in the proportionate interests of a substantial shareholder of the Company in the voting rights of the Company, which could give rise to an obligation to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

In the event that the Directors exercise in full the power to repurchase the Shares which is proposed to be granted pursuant to the Repurchase Mandate, the shareholding of the substantial shareholders in the Company will be as follows and will give rise to a mandatory offer obligation under Rules 26 or 32 of the Takeovers Code:

Substantial shareholder	Percentage of shareholdings in the Company as at the Latest Practicable Date	Percentage of shareholdings in the Company after the Directors exercise in full the power to repurchase the Shares
Mak Kwong Yiu	<u>9.40%</u>	<u>10.47%</u>
	<u>9.40%</u>	<u>10.47%</u>

The Company has no intention to exercise the Repurchase Mandate to such an extent that it would give rise to an obligation to make a mandatory offer under the Takeovers Code or result in the amount of shares held by the public being reduced to less than 25% of the issued share capital of the Company.

7. SHARE REPURCHASES BY THE COMPANY

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.

8. SHARE PRICES

During each of the previous 12 months up to the Latest Practicable Date, the highest and lowest prices for which the Shares were traded on the Stock Exchange were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
2016		
April	0.521	0.465
May	0.480	0.420
June	0.487	0.245
July	0.253	0.186
August	0.320	0.190
September	0.260	0.210
October	0.270	0.230
November	0.250	0.214
December	0.230	0.183
2017		
January	0.222	0.200
February	0.216	0.176
March	0.182	0.111
April (up to the Latest Practicable Date)	0.137	0.110

The biographical details of the Directors proposed to be re-elected at the Annual General Meeting are set out as follows:

MR. HUANG YING YUAN

Mr. Huang Ying Yuan, aged 66, is a founding member, an executive Director and the honorary chairman of the Group. Mr. Huang Ying Yuan has 40 years of experience in the infant products industry. Mr. Huang Ying Yuan oversees the Group's strategic planning and has particular responsibility for marketing.

Mr. Huang Ying Yuan is the father of Mr. Huang Shen Kai, an executive director of the Company. Save as disclosed herein, Mr. Huang Ying Yuan does not have any relationship with any directors, senior management, substantial or controlling shareholders of the Company. Mr. Huang Ying Yuan has not held any other directorship in any listed public companies in the last three years. As at the Latest Practicable Date, Mr. Huang Ying Yuan did not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Mr. Huang Ying Yuan has entered into a service contract with the Company for a term of three years, subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-Laws. Mr. Huang Ying Yuan received an annual director's emolument of approximately HK\$1,682,000 for the year ended 31 December 2016.

MR. HUANG SHEN KAI

Mr. Huang Shen Kai, aged 39, an executive Director, joined the Group since March 2005 and has been working as the Group Vice President for the manufacturing business of the Group. Mr. Huang Shen Kai is responsible for the Group's management and business development in the PRC market. Mr. Huang Shen Kai holds a Bachelor's Degree of Business Administration from the Rochester University of Institute and a Master's Degree of Business Administration from the American University.

Mr. Huang Shen Kai has not entered into a director service agreement with the Company but his directorship position will be subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the Bye-laws. Mr. Huang Shen Kai has waived his director's emoluments but is entitled to an annual salary of NT\$5,250,000 acting as the Group Vice President. For the year ended 31 December 2016, Mr. Huang Shen Kai received a salary of approximately HK\$1,104,000.

Mr. Huang Shen Kai is the son of Mr. Huang Ying Yuan, executive Director and honorary chairman of the Company. As at the Latest Practicable Date, Mr. Huang Shen Kai did not have any interests in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong). Save as disclosed, Mr. Huang Shen Kai has no relationships with any directors, senior management or substantial or controlling shareholders of the Company.

Save as disclosed above, Mr. Huang Shen Kai did not hold any other position in the Company or any other member of the Group, nor any directorship in listed public companies in the last three years.

MR. YE JIANXIN

Mr. Ye, aged 63, an independent non-executive Director, has over 3 decades of experience acting as department head and general manager in different companies engaging in sales and marketing. He has extensive experience in managing large enterprises especially in the area of sales and marketing. Mr. Ye graduated from high school in China. He was appointed as independent non-executive Director on 15 December 2014.

Mr. Ye has not held any other directorship in any listed public companies in the last three years. As at the Latest Practicable Date, Mr. Ye did not have any interest in the shares of the Company within the meaning of Part XV of the SFO and has no relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

There is no service contract entered into Mr. Ye and the Company. Mr. Ye is entitled to director's remuneration of HK\$120,000 per annum. Mr. Ye received an emolument of HK\$120,000 for the year ended 31 December 2016.

OTHERS

There is no other information relating to the above Directors that is required to be disclosed pursuant to Rule 13.51(2) sub-paragraphs (h) to (v) of the Listing Rules, and save as disclosed in this circular there is no other matter in relation to their proposed reappointment which needs to be brought to the attention of the Shareholders.

NOTICE OF ANNUAL GENERAL MEETING



Lerado Financial Group Company Limited

隆成金融集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1225)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Lerado Financial Group Company Limited (the “**Company**”) will be held at the Portion 2, 12/F., The Center, 99 Queen’s Road Central, Hong Kong on Wednesday, 31 May 2017 at 2:30 p.m. for the following purposes:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors of the Company (the “**Directors**”) and the auditors of the Company for the year ended 31 December 2016;
2. To re-elect Mr. HUANG Ying Yuan as an executive Director;
3. To re-elect Mr. HUANG Shen Kai as an executive Director;
4. To re-elect Mr. YE Jianxin as an independent non-executive Director;
5. To authorise the board of Directors to fix the Directors’ remuneration;
6. To re-appoint Deloitte Touche Tohmatsu as auditors of the Company and authorise the board of Directors to fix their remuneration;

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

7. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the share option scheme of the Company approved by Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”); or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and

NOTICE OF ANNUAL GENERAL MEETING

- (iii) the date upon which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of ordinary shares on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory outside Hong Kong).”;

8. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to make market purchases of issued shares in the capital of the Company, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall be in addition to any other authorisation given to the Directors and shall authorise the Directors on behalf of the Company during the Relevant Period to procure the Company to purchase its shares at a price determined by the Directors;
- (c) the aggregate nominal amount of shares of the Company which are authorised to be purchased by the Directors pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;

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- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and
 - (iii) the date on which the authority set out in this resolution is revoked or varied by way of ordinary resolution of the Company in general meeting.”;
9. To consider and, if thought fit, pass the following resolution as an ordinary resolution of the Company:

“**THAT** conditional upon the passing of resolutions nos. 8 above and 9 above, the general mandate to the Directors pursuant to resolution no. 8 be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of share capital of the Company purchased by the Company under the authority granted pursuant to the resolution no. 9, provided that such amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** subject to the terms and conditions of the Share Option Scheme approved and adopted by the shareholders of the Company at the annual general meeting on 28 May 2012 and in compliance with Rules 17.03(3) and 17.06 of the Listing Rules and/or such other requirements prescribed under the Listing Rules from time to time, the Scheme Limit (referred to in paragraph 6 of the Scheme) is hereby generally and unconditionally approved for increased and is hereby increased to 10% of the Shares (as defined in the Scheme) in issue as at the date of this shareholder’s approval excluding:

- (a) the number of Shares which would be issued upon the exercise in full of all outstanding Options (as defined in the Scheme) and options granted under the other schemes;
- (b) the number of Shares which have been issued and allotted pursuant to the exercise of any Options or options granted under the other schemes;
- (c) any Cancelled Shares (as defined in the Scheme); and

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- (d) any Shares which were the subject of Options which have lapsed in accordance with the Scheme and any shares which were the subject of options which have lapsed in accordance with the other schemes,

Provided that such increase in the Scheme Limit shall in no event result in the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Company or any its Subsidiaries (as defined in the Scheme) exceed 30% of the Shares in issued from time to time.”

By Order of the Board
MAK Kwong Yiu
Chairman

Hong Kong, 28 April 2017

Notes:

- (1) Any member of the Company entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- (2) In the case of joint holders of any Shares such persons shall not have the right of voting individually in respect of such shares but shall elect one of their number to represent them and to vote whether personally or by proxy in their name. In default of such election the person whose name appears first in order in the register of members of the Company in respect of such share shall be the only person entitled to vote in respect thereof.
- (3) In order to be valid, a form of proxy together with the power of attorney (if any) or other authority (if any) under which it is signed or a certified copy thereof shall be deposited at the Company's Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong) not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked. The proxy form will be published on the website of the Stock Exchange.
- (4) The register of members of the Company will be closed from Thursday, 25 May 2017 to Wednesday, 31 May 2017 (both days inclusive) during which period no transfer of shares will be registered. In order to qualify for the entitlement to attend and vote at the forthcoming Annual General Meeting, all transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Secretaries Limited, at Level 22 Hopewell Centre, 183 Queen's Road East, Hong Kong) for registration not later than 4:30 p.m. on Wednesday, 24 May 2017.

As at the date of this notice, the executive Directors are Mr. MAK Kwong Yiu (Chairman and Chief Executive Officer), Mr. HUANG Ying Yuan (Honorary Chairman), Mr. CHEN Chun Chieh, Mr. HUANG Shen Kai and Mr. LAI Kin Chung, Kenneth; and the independent non-executive Directors are Mr. LAM Chak Man, Mr. YE Jianxin, Mr. CHERN Shyh Feng and Mr. HSU Hong Te.